

## APPENDIX 2 - EMPLOYER RECRUITMENT INCENTIVE

### Employer Recruitment Incentive – Provider Guidance

#### Introduction

On 22 February 2011, the Cabinet Secretary for Finance announced that funding of up to £7.5 million would be available for SDS to offer recruitment incentives to employers. This guidance provides an outline of eligibility for the new incentives as well as the 16-19 year old incentives funded through the ESF Supporting Business Through Recovery programme. The support is designed to assist small companies to recruit particular groups of individuals who are adversely affected in the current economic circumstances.

#### The offer

Employers who take on an individual as a **Modern Apprentice (MA)** or an **Employee** can receive **up to £2,000** towards **recruitment** and **small business employment support costs**. The amount available depends on the individual recruited matching the eligibility criteria and the company size (by number of employees).

- To qualify for a **£1,000 incentive**, the individual recruited must satisfy one of the eligibility criteria detailed in **Sections A and B below**.

Small companies with up to 49 employees recruiting a MA or an employee matching any of the criteria outlined in Sections A and B will attract an additional £1,000 towards small business employment support as outlined in attached Diagram. This additional funding is designed to assist small companies with the particular challenges they face in meeting the miscellaneous costs of recruiting additional staff. Providers are requested to make employers aware of the Flexible Training Opportunities offer, where SDS will make a 50% contribution towards the costs of training up to 10 episodes (up to a maximum of £500 per employee) is available for companies with up to 150 employees.

***SDS is working in partnership with JobCentre Plus to promote our range of initiatives and to develop Employer Engagement opportunities***

## SECTION A - Taking on a MA

From 21 December 2011 onwards this incentive is available to employers recruiting a **Modern Apprentice**, who matches at least one of the following criteria:

1. 16-19 year old who is recruited or has progressed to a MA from 21 December 2011.
2. Individuals 20 years of age plus and 3 months unemployed starting a MA from 21 December 2011 onwards. **The individual must commence their MA training programme and be registered as a start on CTS no later than 3 months from the start date of employment with the same employer. In instances where there is a delay in Framework approval please contact SDS for further guidance.**

Between 1 April 2011 and 20 December 2011 this incentive was available to employers recruiting a **Modern Apprentice**, who matched at least one of the following criteria:

1. 16-19 year old who has progressed to a MA within 26 weeks of leaving the Get Ready for Work (GRfW) programme and is currently employed.
2. 16-19 year old and has an ex-offending background.
3. 16-19 year old and has a looked after or care leaver background.
4. 16-19 year old who has progressed to a MA within 26 weeks (39 weeks for Engineering and Construction) of leaving the Targeted Pathways to Apprenticeship (TPA) programme and is currently employed.
5. Individuals 18 years of age plus and 6 months unemployed starting a MA from 1st April 2011 onwards. **The recruit must commence their MA training programme and be registered as a start on CTS no later than 3 months from the start date of employment with the same employer. In instances where there is a delay in Framework approval please contact SDS for further guidance**

## SECTION B - Taking on an Employee (not following a MA framework)

This incentive is available to employers recruiting an **employee**, who matches at least one of the following criteria:

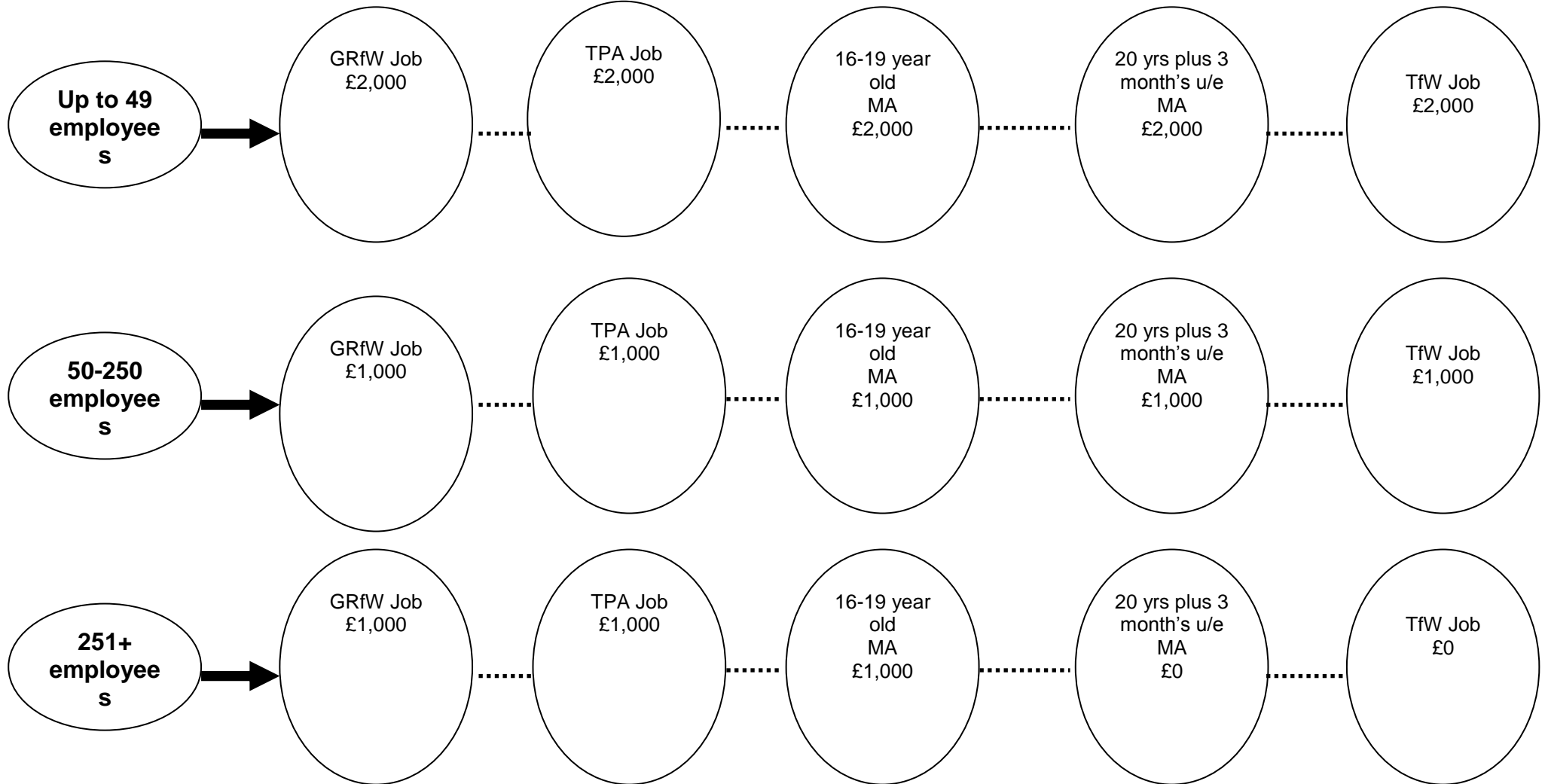
1. 16-19 year old who has progressed to employment within 26 weeks of leaving the GRfW programme and is currently employed. **Applications will be approved by the Provider once the individual has been in employment for 4 weeks.**
2. 16-19 year old who has progressed to employment within 26 weeks of leaving the TPA programme and is currently employed. **Applications will be approved by The Provider once the individual has been in employment for 4 weeks.**
3. Those leaving Training for Work (TfW), who have been unemployed for more than 6 months entering employment from 1st April 2011 up to 31<sup>st</sup> July 2011.

**Applications will be approved by The Provider once the individual has been in employment for 4 weeks.**

4. Those leaving TfW entering employment from 1<sup>st</sup> August 2011. **Applications will be approved by The Provider once the individual has been in employment for 4 weeks.**
5. 16-24 year old who has progressed to employment (from 1 July 2011 onwards) within 26 weeks of leaving specific employability provision delivered by Barnardos and Action for Children. **Please note this category has not been included in the eligibility diagram as it relates to a very specific group of individuals and the relevant providers have been notified.**

**Size of Business**

**Eligibility of Individuals from 21 December 2011 onwards**



## 1. **Application Process**

An Employer Recruitment Incentive Application Form can be requested via the Employer Helpline: **0800 783 6000** or via the SDS website:

[www.skillsdevelopmentscotland.co.uk/incentive](http://www.skillsdevelopmentscotland.co.uk/incentive)

***Requests from Providers and Employers will be on a first come first served basis. Only one ERI is payable per individual with the same Employer. An ERI application will not be approved by SDS if the individual is supported via other SDS incentives: Adopt an Apprentice and Safeguard an Apprentice.***

- **Providers** must ensure that **Sections 1 to 3** are fully completed within the ERI Application Form (**Annex 1**), therefore declaring overall eligibility for the incentive payment. This includes both the trainee and the employer confirming the information detailed within the application is correct.

## 2. **Payment and Compliance Procedures**

- **Providers** process the incentive payment via CTS on full completion of **Sections 1 to 3** of the application form. Please note: Claims for incentive payments in relation to Jobs should not be made unless appropriate evidence has been gathered i.e. Job Outcome declaration form and latest employee wage slip. Full claiming procedures are published on the front splash screen of CTS.
- **Providers** will then enter the **processed date** within **Section 4** and sign and date the **Provider Declaration**.
- The claim submission to CTS by the **Provider** is confirmation that the application is eligible for the appropriate level of incentive payment.
- A photocopy of the application form (along with appropriate Job evidence, if applicable) must be sent to: **Employer Recruitment Incentive, Skills Development Scotland, Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU** within 1 working week from the **processed date** entered within **Section 4**. (Providers to keep original copy on file for SDS Compliance purposes).
- As from 26 September 2011 SDS will not release payment via CTS until all relevant paperwork has been received from the Provider
- The **Provider** must pay the incentive funding to the employer within 14 days of receipt of payment from SDS via cheque, BACS etc. The Provider must have a process in place for paying the employer prior to claiming this incentive. SDS will monitor this as part of the Provider system checks.
- **Payment Confirmation** details within **Section 4** of the application form must be fully completed by the **Provider** once funds are received from SDS and retained as evidence of payment to the Employer. SDS will monitor the **Providers'** procedures in place to pay Employers.
- The **Provider** must retain evidence for SDS compliance purposes that the incentive funding has been paid to the Employer via a copy cheque or bank statement. A letter on headed paper, a compliment slip or receipted invoice from the Employer must also be retained by the **Provider** to confirm payment has been received by the Employer.
- **Providers** must ensure Employers have their contact details and are advised of the status of their applications.
- SDS will closely monitor sustainment and progression of the MA funded through this incentive.
- SDS will claw back ERI payments that are incorrect i.e. the wrong amount has been claimed on CTS or when monitored there is found to be insufficient evidence held in support of the claim. In situations where there has been a duplicate payment made to the same employer the second provider who has claimed from SDS will be asked to try and recover the money paid. If however this is unsuccessful SDS will pursue the

employer direct for the return on the monies. In this situation the provider will remain unaffected.

**3. Claim evidence required for Employment Applications**

- **Providers** must attach the relevant completed Job Outcome declaration form (**annex 1**) for employers taking on an Employee (not following a MA framework) and a copy of latest (**monthly or weekly**) employee wage slip to the Application Form and submit all documentation to SDS. This is confirmation of current employment status and that the individual has been in employment for 4 weeks. SDS will accept GRfW/TfW/TPA job outcome declarations in cases where the individual is still with the same employer when the GRfW/TfW/TPA claim was made

**4. Provider Agreement**

***All Providers must sign the declaration below once and keep a copy on file, acknowledging adherence with the Employer Recruitment Incentive guidelines as set out in the Standard Conditions and General Rules 2011/2012. A copy of this Provider Agreement must be retained for the Providers' records and will be monitored by SDS compliance. SDS reserves the right to recover funds from the Provider if the above eligibility criteria are not met and adhered to.***

I agree with the above guidance and confirm that I will administer the Employer Recruitment Incentive funding on behalf of the Employer:

**Provider**

**Signature.....Date:.....**

**Annex 1**

**EMPLOYER RECRUITMENT INCENTIVE  
MANDATORY JOB OUTCOME DECLARATION FOR EMPLOYEES NOT FOLLOWING A  
MODERN APPRENTICESHIP FRAMEWORK**

<b>Name of Learner/Trainee:</b>	.....
<b>NI Number:</b>	.....
<b>Eligibility Category as listed in Section B</b>	<input type="checkbox"/> GRfW <input type="checkbox"/> TPA <input type="checkbox"/> TfW <input type="checkbox"/> Barnardos leaver <input type="checkbox"/> Action for Children leaver
<b>Leaving Date from the programme listed above:</b>	.....
<b>Provider Name</b>	.....

**Complete details below as required in relation to Job Outcome**

<b>Declaration by Employer</b>	
<b>Company Name</b>	_____
<b>Address</b>	_____ _____ _____
<b>Phone Number</b>	_____
<b>Email address</b>	_____
<b>I declare that (insert individuals name)</b>	_____
<b>was employed by me on (insert start date)</b>	_____
<b>as a (insert job title)</b>	_____
<b>(Please attach a copy of the latest employee wage slip to this declaration)</b>	
<b>I confirm that the details in this Job Outcome declaration are correct</b>	<div style="border: 1px solid black; width: 150px; height: 80px; margin: 0 auto; padding: 5px;">           Official Stamp of Employer         </div>
<b>Signature of Employer</b>	_____
<b>Print Name (in capitals)</b>	_____
<b>Date</b>	_____

<b>Declaration by Learner:</b> I declare that the above information is correct. I first entered employment on _____	
Signature of Learner	_____
Date	_____

**Please note The Skills Development Scotland Co. Ltd may contact you by telephone to verify the above details**

